

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 4382-02  
Bill No.: Truly Agreed To and Finally Passed SCS for HB 1890  
Subject: Consumer Protection; Taxation and Revenue - Sales and Use; Public Service  
Commission; Telecommunications  
Type: Original  
Date: May 7, 2002

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**FISCAL SUMMARY**

ESTIMATED NET EFFECT ON STATE FUNDS			
FUND AFFECTED	FY 2003	FY 2004	FY 2005
<b>Total Estimated Net Effect on <u>All</u> State Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2003	FY 2004	FY 2005
None			
<b>Total Estimated Net Effect on <u>All</u> Federal Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2003	FY 2004	FY 2005
<b>Local Government</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

Numbers within parentheses: ( ) indicate costs or losses.  
This fiscal note contains 3 pages.

## FISCAL ANALYSIS

### ASSUMPTION

Officials of the **Department of Revenue (DOR)**, in response to the original proposal, stated this legislation will standardize the taxing of mobile telecommunications by incorporating the federal Mobile Telecommunications Sourcing Act into Missouri Law. This will have no administrative impact on DOR.

In a similar proposal, officials from the **Office of Administration - Budget and Planning (BAP)** assume this proposal should not result in additional costs or savings to the BAP. BAP defers to the DOR for a tax credit estimate.

In a similar proposal, officials from the **Department of Economic Development, Division of Public Service Commission (PSC)** and the **Office of Public Counsel (OPC)** assume this legislation would not fiscally impact their agency. This bill pertains to taxes and taxation errors associated with mobile telecommunications services.

**Oversight** does not anticipate a revenue impact from the incorporation of the federal Mobile Telecommunications Sourcing Act into Missouri law. In addition, Oversight assumes the revenue loss from this change in sales tax error correction for telecommunications services would be zero.

<u>FISCAL IMPACT - State Government</u>	FY 2003 (11 Mo.)	FY 2004	FY 2005
	\$0	\$0	\$0
<u>FISCAL IMPACT - Local Government</u>	FY 2003 (11 Mo.)	FY 2004	FY 2005
	\$0	\$0	\$0

### FISCAL IMPACT - Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

### DESCRIPTION

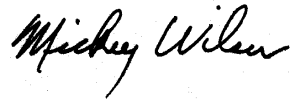
This act incorporates the federal Mobile Telecommunications Sourcing Act into Missouri law, and provides consumer remedies for erroneous tax charges.

This proposal contains an emergency clause and would take effect upon passage and approval or August 1, 2002, whichever occurs later.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Department of Revenue  
Office of Administration  
    Budget and Planning  
Department of Economic Development  
    Public Service Commission  
    Office of the Public Counsel



Mickey Wilson, CPA  
Acting Director  
May 7, 2002